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SUBJECT: MEDIA REACTION: G-20, U.S. Military

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Editorial Quotes  
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1. G-20

"The focus of the G20 should not only be on how to handle the financial crisis"

a. Shanghai based News Agency under Shanghai Media Group (SMG) publication China Business News (Diyi Caijing) (04/02): While we are paying so much attention to the solutions to the financial crisis at the G-20, there are also other issues worthy of concern. First, whether the G-20 mechanism is workable. Pan Rui, general secretary of the Shanghai-based organization U.S. Studies points out the development outlook of G-20 is not clear yet. "It is hard to coordinate different demands from around the world because there are too many members and each faction has their own interests. Moreover, since America's leadership capacity has been questioned, who will be the leader remains an issue for G-20. Some think that the U.S. and China can be the joint leaders of the G-20. But currently this assumption is not realistic" he says. A former Ambassador to EU says that it is hard to tell whether nor not the G-20 mechanism can be maintained. Europe and Japan still prefer the G-8 or G-7 because their interests are diluted by a G-20. Second, meetings among China, the U.S., and Russia should be anticipated. The major tone of Obama's policies towards Europe, Russia, and China will be uncovered after the multilateral contacts between the U.S. and other major countries at the G-20, including the pattern of future U.S.-China economic talks and whether or not U.S.-Russia relations be "recommenced". Third, China's role has attracted attention. International society has different anticipations and demands for China. The London summit gives China a place to express its own ideas. Chinese experts think that "China should take a low key" and as a developing country China should "be practical and gradually (develop itself)". To raise unrealistic hopes for China's role in order to urge China to implement its responsibilities - which are beyond its capacity - is not an efficient solution to the current financial crisis and will damage China's interests.

b. "Obama-Hu meeting gives power to conquer the financial crisis"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(04/02): President Obama will visit China in the second half of this year. The [leadership] level of the U.S.-China strategic dialogues will increase. But neither the U.S. nor the Chinese officials ever used the expression "G-2". A Chinese official warned that China should not be deceived by such an exaggerated expression. Zhu Feng, deputy director of International Strategy Research Center of Peking University, says that "G-2" is just a concept, not an operable project. Both U.S. and Europe are very clear about this. Using the word "G-2" is only to show the importance of U.S.-China cooperation and induce China to carry more international responsibilities. "G-2" reflects a concern that if China doesn't enhance cooperation with U.S., a geo-conflict may occur. It's not necessary for China to be too enthusiastic about the "G-2" and China's national interests do not need a "G-2" mechanism. China, a large country but not a powerful country, cannot afford too many international responsibilities. Zhu Feng also says that the over-pessimistic analysis about G-20 (there is no room for failure at G-20) is a one-side analysis. The most significant

meanings of G-20 are to provide a collective, multilateral, institutional, and coordinated mechanism to the world when responding to the financial crisis. As long as the G-20 exists, there will be more determinations and solutions to jointly conquer the crisis. However, the resolution to the crisis relies on every country, not just the G-20 mechanism. Every country should be parallel to G-20, not affiliated to it.

c. "Whose wallet will the G-20 fatten?"

The official Xinhua News Agency international news publication International Herald Leader (Guoji Xianqu Daobao)(04/02): There are two focuses for the G-20: asking each country to further stimulate currency liquidity and to conduct more economic stimulus packages. Under the current two outstanding demands that U.S. wants to keep its global dominance and developing countries want to expand their power to influence or make decisions in the world, the G-20 submit will become a fight with certain limitations. Of course, one summit cannot solve the current global financial crisis. But it should not be a coordinating meeting for some countries to get investment. This kind of market rescue requires clear reasons and a review of its effectiveness. The topic of long-term reform should also be listed on the agenda of international cooperation through this summit.

## 12. U.S. Military

"Why does the U.S. military contradict itself?"

The China Radio International sponsored newspaper World News Journal (Shijie Xinwenbao)(04/02): Recently there are facts which show the U.S. State Department and U.S. Department of Defense are not on the

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same page. For example, regarding the incident in the China South Sea and U.S. attitudes toward North Korea's missile launch the comments from these two departments are inconsistent. This is not the first time that these two departments expressed opposite views. Taking the U.S.-Taiwan policy as an example, the U.S. State Department always plays "nice person" by saying sweet words to China while the U.S. military often plays "angry person", advocating "China's military threat" in every possible way. Analysts indicate that Obama needs to deal with both the economic problems and the U.S. troops scattered around the world in the first year of his presidential term. The military issues are not easier than the economic problems. Therefore, it may take time for Obama and Gates to go through breaking-in.

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